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"Let Me Tell You"

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"What Crop

FIRST LOSS SINCE 1916

Ernest Christopherson of Ione, Oreg., has been farming in Morrow County since 1916 with never a wheat crop failure until this year. In 1939 he insured 953 acres under four crop insurance policies. Because of his excellent yield record he had to pay a premium of only 248 bushels.

"It certainly is lucky for me that I took out insurance," Mr. Christopherson said. Hail hit two of his farms, inflicting a 1,535-bushel loss on one and a 490-bushel loss on the other. On another farm dry rot killed the fall seeding and a reseeding was destroyed by frosts and drought. On still another farm, drought caused a total loss. Adding them up, his losses below his insured coverage came to 7,220 bushels and his crop insurance indemnities brought him that much wheat



Ernest Christopherson



Christopherson's sons inspect wheat damaged by frost and drought

which he would otherwise have lost. That's enough to pay his premiums for quite a few years to come.

A NEW EXPERIENCE

John F. Biggs of Floydada, Tex., knows what it is like to be the first farmer to benefit from the crop insurance program because his was the first indemnity paid in the United States. Mr. Biggs



John F. Biggs and daughter Ellie

has been growing wheat in Floyd County, Tex., for the past 22 years. Last fall he seeded 52.5 acres of wheat for harvest in 1939, and insured his two-thirds interest in the crop, paying a premium of 31.5 bushels of wheat. Drought, followed by an 80-mile-an-hour wind, wiped out his crop. But under his crop insurance policy he was guaranteed 245 bushels of wheat against all unavoidable risks, and he received an indemnity amounting to \$136 to compensate for his loss.

"That may not sound like much to farmers who depend on wheat entirely for their income," Mr. Biggs said. "I follow a general farm plan and want to tell you that every little bit counts."

"This is quite different from some of the experience I have had in the past years when I suffered a total loss," Mr. Biggs commented.

"WE KNOW WHAT CROP INSURANCE IS WORTH"

C. H. Callender, a wheat grower who lives 10 miles from Coeur D'Alene, Idaho,

Insurance Ma

EVERY year, in every wheat-growing area, some farmers have bad luck with their crop. Through no fault of their own, some accident robs them of good harvests and wheat to sell. A hundred things can happen: Rains don't fall when they are needed, and the crop dries up . . . A fine crop stands ready for harvest when a sudden hail mows it down . . . Spores of rust drift into the growing crop and sap the yield . . . Grasshoppers swarm in to nip the heads off . . . Or a lowland field is flooded. Such hazards are to be expected in farming and the wise grower takes every precaution to protect his wheat income from the sudden slumps that such crop losses may bring.

"All-risk" crop insurance, a program of the Federal Government under which growers can *insure* their yields against such unavoidable losses, was first undertaken on the 1939 wheat crop. Nearly 170,000 wheat growers tried out "all-risk" crop insurance in 1939. Here are a few selected reports from insured farmers, telling what crop insurance has meant to them.



C. H. Callender (left), and County Supervisor A. H. Knudson

collected a \$55 indemnity on a 25-acre field of wheat that was practically ruined by drought.

Mr. Callender has had previous experience with drought. He and his father operated a 1,000-acre wheat farm in North Dakota before moving to Idaho in 1938. "In 1936, we sowed that 1,000-acre farm and never went back into the field," Mr. Callender said. "It was literally burnt up from lack of moisture. Again in 1937 we planted a crop. That fall we combined for 12 hours and got only 60 bushels of wheat for our trouble."

In view of his experience with wheat crop losses, Mr. Callender says: "We're glad to have crop insurance to cover our 1939 loss,

although \$55 on this small field doesn't amount to a whole lot. But we know what crop insurance is worth—we've been without protection in the past when there was a lot at stake—and we've lost!"

BANISHES WORRY

"I have farmed for 37 years and this is the first time I planted a crop and didn't have to worry whether I would get a harvest or not. I hope the time comes when we can insure every crop we raise." This is a statement made by Charlie Jensen, Viberg, S. Dak., who is pictured below with his son looking at his indemnity check for \$50 representing 73 bushels of wheat lost on 8 acres.



Charlie Jensen and son

"Means to Me."



Charles W. Routh

WEATHER RUINS CROP— NOT WHEAT INCOME!

In the fall of 1938 Mr. Charles W. Routh, Jefferson Township, Boone County, Ind., seeded 7.4 acres of wheat. During the winter months his crop was winter-killed to the extent that it was a total loss. Mr. Routh is shown above as he received an indemnity check for \$124.77 representing 175 bushels of wheat, the first indemnity to be paid in the State of Indiana. "It certainly takes a lot of the uncertainty and gamble out of farming," Mr. Routh says of crop insurance. "When we plant a crop we are never sure that we are going to harvest it."

INSURES LAND PAYMENTS

Calvin W. Finley of Claude, Tex., has been renting land in Armstrong County since 1918. Last year he bought 320 acres of land of his own. Being thoroughly familiar with the risks of growing wheat he took out crop insurance on the 127.6 acres of wheat planted on his new land to be sure he could make his payments. It was a wise precaution on his part because the crop deteriorated from dry weather and was further damaged by hail on May 1. The effect of the loss

was lessened by the indemnity of 640 bushels he received from the crop insurance program.

"I don't know what I would have done if I hadn't insured to protect my investment," he says. "After I paid the premium last fall, the crop looked so good that I kicked myself for spending money 'foolishly' to pay the premium. Then when the crop went out in the spring I was plenty glad that I had made this investment. You can be sure I'm not going to forget this lesson."

WINDS AND DROUGHT TOOK HER CROP

In the fall of 1938, Mrs. J. C. Cox of Plainview, Tex., saw her promising 167-acre wheat crop wither and die under the combined influence of wind and drought. However, the crop was insured and her indemnity of 1,385 bushels helped her to pay off bills and to finance another crop.



Mrs. J. C. Cox

HELPS TO PURCHASE FEED

William D. Koester of Northfield, Minn., believes that the farm program, including crop insurance, is especially helpful to the small farmer. He insured his 11 acres of 1939 wheat, and when it was winter-killed, he received an indemnity from which he realized \$80 in cash as well as paid-up insurance on his 1940 crop. He says: "I don't raise an awful lot of wheat because I use it for feed. But I need crop insurance just as much as the big wheat farmer. If I lose my wheat that means I have to buy that much more feed. The farm program helps us all and especially the small farmer."



Floyd Kimble

GIVES YOUNG FARMER NEW CHANCE

Floyd Kimble of Anadarko, Okla., started farming for himself 2 years ago, renting 160 acres on which to put out his first crops "on his own." He had early experience with some of the hazards that make it difficult for a young man to get a foothold, as his 1938 wheat crop was a complete loss from rust and hail. In the fall of 1938 he planted 122 acres of wheat. Remembering his hard luck of the previous year he insured his 1939 crop, paying a premium of 72 bushels and 50 pounds in the cash equivalent of \$36.40 to guarantee 75 percent of his interest as tenant in an average yield of 17 bushels an acre. In the spring dry weather and high winds ruined the crop. Here is what Floyd Kimble says about crop insurance: "My premium is the best money I ever spent. My indemnity of 894 bushels enabled me to put the land to corn and cotton, and with this I figure to get through the year and have a good chance of staying in the farming business."

"ANY PRUDENT FARMER WOULD THINK IT WISE . . ."

To: THE FEDERAL CROP INSURANCE CORPORATION:

I am very well pleased with Federal Crop Insurance. The failure of my 50 acres of wheat to produce, after I had spent the money to prepare the ground and seed—this expense would have been hard for me to meet. This insurance made me feel safe all through the bad wheat-growing weather which followed last September. I am an old farmer. Year after year I drill about $1\frac{1}{2}$ bushels of wheat to the acre in well-prepared ground, wondering if the weather, that no man can control, would render my expense and efforts fruitless. I always thought that every farmer and his family would always have to take this risk but last fall, to my surprise, I learned that for little more wheat than I drilled in the ground I could insure this crop, 75 percent of average production, against unfavorable weather. Winter wheat is generally harvested about $9\frac{1}{2}$ months after it is planted and the weather condition of almost every day of that time affects that crop and surely any prudent farmer would think it wise to eliminate himself and his family of this worry and uncertainty at that small a premium. I only hope that some crop insurance program will be worked out for the corn crop.

(Signed) JOSEPH J. KOVAR,
David City, Nebr.

Insured acreage . . . 58 acres.

Indemnity 454 bushels.

Premium 75 bushels.

AN OHIO FARMER CHANGES HIS MIND

"I didn't think much of wheat crop insurance in the beginning, but I took out a policy on my wheat crop anyway. It was not expensive, though, because my policy only cost about 60 or 65 cents an acre.

"Up until harvest time I still felt the same way about crop insurance. My wheat came through the winter all right, but along came June and we had very little rain. My crop was ruined. In the 40 years I've been on my farm we've had only two or three complete crop losses. We always take good care of our farm and our chances are usually good. I've produced good crops, but that drought in June came at the right time to hurt us. You can bet your boots I'm taking out crop insurance in 1940."

H. H. BALES,
R. R. 2, Zenia, Ohio.

Number of insured acres	34.9.
Cost, \$11.52 or 20 bushels and 5 pounds.	
Guaranteed	378 bushels.
Harvest	226 bushels.
Indemnity	152 bushels.
Damage caused by dry weather, winter-kill.	

"PEACE OF MIND VALUE" WORTH PREMIUM

M. J. Walters of Lebanon, Nebr., didn't collect any insurance payment under his 1939 policy, but he believes it was a good investment, reflecting a basic idea behind the crop insurance program that it is not a year-to-year, win-or-lose proposition, but rather a constructive plan for increased security that should be considered as a part of a sound, long-time plan for the wheat grower. His letter:

LEBANON, NEBR.,
July 13, 1939.

Mr. FRED S. WALLACE, Chairman,
NEBR. STATE AGRI. ADJ. ADMIN.,
208 Terminal Building,
Lincoln, Nebr.

DEAR SIR:

My personal reaction to the benefit of the Federal Crop Insurance program for the crop year 1938-39 has been quite satisfactory even though no loss under the insurance developed in my particular case.

The policy was written covering 41.4 acres of wheat, an adjusted yield of 10 bushels per acre, 75 percent coverage guaranteeing production of 310 bushels of wheat, at a cost of 1.6 bushels of wheat per acre, total cost 66 bushels of wheat, an equivalent cash cost of \$31.

Thirty acres of this wheat was harvested and made an average yield for the entire seeded acreage of 8.5 bushels per acre and no loss was collectable under the policy.

Now in this instance the items of benefit and satisfaction are almost entirely items of eliminated personal concern and worry. From the date this wheat was seeded, I was assured that in any event I would have at my disposal 310 bushels of wheat as production from this field, eliminating the possibility of an entire loss of seed, cash investment and personal effort. There are other potential losses that were in all probability eliminated by protection of all-risk crop insurance. In a few words, with the protection furnished by all-risk crop insurance, the average wheat grower is in much the same situation as are the few favored wheat growers who are so situated that they may seed their wheat and forget it, knowing they will be in a position to seed wheat next year whether a crop is produced this year or not. The farmer outside the irrigated areas, gambles against weather, insect and other crop hazards over which he has very little, if any, control. Federal all-risk crop insurance protects against all of these hazards and while it does not assure him a profit from his years' operation, it does insure him against a total loss and assures him of an opportunity to carry on the next year.

Very truly yours,
(Signed) M. J. WALTERS.

Here's the improved "All-Risk" Wheat Crop Insurance Plan for 1940

1. What it does-

Insures you of either 50 or 75 percent of your average yield, depending on your choice of coverage. Your average yield is determined from a 13-year base period, 1926-38. Protection is "all-risk," including losses from drought, flood, hail, frost, winter-kill, tornado, storm, insects, animal pests, plant diseases, incursion of animals, and any other natural cause of loss not specifically mentioned. If your insured crop fails to yield the insured amount, because of some natural cause, you are entitled to receive an indemnity to bring your production up to the insured amount.

2. What it costs-

The premium the grower pays for wheat crop insurance is based on the actual risk of growing wheat on his farm, as shown by the history or appraisal of his farm and county yields for the 13-year period, 1926-38.

3. How to get it-

You can insure your 1940 crop in one operation. The county AAA committee has the insurable yield and the premium rate for your farm all figured out. Simply file an application and pay the premium due on the amount of wheat you intend to plant.

Premiums can be paid by:

- (a) Warehouse receipt for the amount of wheat specified in the premium.
- (b) Cash, check, or money order for the cash value of the premium.
- (c) An advance against payments to be earned under the agricultural conservation program.

The Federal Crop Insurance Corporation

★ U. S. DEPARTMENT OF AGRICULTURE ★

